



**Coordination of Long Terms Services Program
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Some General Background

- ◆ In FY11, the disabled and elderly comprised 14% of Medicaid enrollees and accounted for 42% of total Medicaid program expenditures.
- ◆ The national average for Medicaid expenditures on this population is closer to 50%.
- ◆ In 2007, 61% of New Mexico's total expenditures for long term services and supports (LTSS) – which includes nursing home expenditures – were for home and community based services (HCBS).
- ◆ This makes New Mexico one of the best balanced states in terms of keeping its citizens in their communities.

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CoLTS Background

- ◆ Development of the Coordination of Long Term Services (CoLTS) program started in 2004.
- ◆ The program was a response to the rapid growth of the Personal Care Option (PCO) program, both in terms of managing utilization and managing costs.
- ◆ CoLTS was designed to make Medicaid's long term services and supports program more cost effective.
- ◆ CoLTS was phased in by counties starting in August 2008. Phase in was completed by May 2009.

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CoLTS Background

All Medicare and Medicaid
"dual eligibles"All Medicaid enrollees who meet
nursing facility level of care and are
not in one of the waiver programs.All waiver enrollees with the exception
of those enrolled in the Developmental
Disabilities (DD) waiver.Persons in the Mi Via waiver who are
not DD waiver enrollees receive their
physical health services through
CoLTS.

Who is
enrolled in
CoLTS?

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CoLTS Numbers

- ◆ Just under 40,000 New Mexicans are enrolled in CoLTS.
- ◆ Enrollees are almost evenly split between the two CoLTS managed care organizations (MCOs), Evercare and AMERIGROUP.
- ◆ CoLTS costs:
 - FY2010: \$797.4 million
 - FY2011: \$854 million (7.1% increase)
 - FY2012: \$875.4 million (projected) (2.5% increase)

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CoLTS and Federal Waivers

- ◆ CoLTS operates under a "combined" or "concurrent" 1915(b) and 1915(c) waiver.
- ◆ The "b" waiver allows HSD to run a managed care program.
- ◆ The "c" waiver allows HSD to pay for HCBS rather than have persons in an institution.

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The Hilltop Report

- ◆ To operate these waivers, the programs must meet the Centers for Medicare and Medicaid's (CMS') requirements for cost effectiveness for the "b" waiver and cost neutrality for the "c" waiver.
- ◆ Cost effectiveness demonstrates that waiver expenditure projections are reasonable and meet regulatory requirements and, that for each renewal period, waiver expenditures do not exceed the projected expenditures for the prior waiver period.

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The Hilltop Report

- ◆ Cost neutrality means that the average per capita cost for waiver services during the waiver period does not exceed the per capita cost of regular institutional care during that period.
- ◆ HSD uses the services of the Hilltop Institute of the University of Maryland, Baltimore County (UMBC) to help us deal with these complex calculations.
- ◆ The "Hilltop Report" is a summary of the results of Hilltop's calculations for the "b" waiver renewal (cost effectiveness) and also includes an explanation of how the CoLTS program works.

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The Hilltop Report

- ◆ In its work on the (b) waiver renewal, Hilltop's calculations found that from FY2009 – FY2012, the CoLTS program is projected to cost \$108.6 million less in total funds than the fee-for-service program.
- ◆ That is a savings to the state of \$31 million over that period, or about \$7.75 million per year.

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CoLTS Achievements

CoLTS continues to rebalance its LTSS environment, *keeping* more people in the community (diversion) and reintegrating people from nursing homes into the community.

Since 2008, the CoLTS MCOs have helped almost 3800 people at risk for nursing home care stay in their communities.

Since 2008, the CoLTS MCOs have reintegrated 436 persons from nursing homes back to their communities.

CoLTS has reduced costs compared to the old fee-for-service program.

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CoLTS – Improving Care Coordination

Improved Care Coordination

Both MCOs use service coordination and case management to help prevent people from being institutionalized as well as to reintegrate people from institutions.

Both MCOs work hard to coordinate their members' care across the full spectrum of care (LTC and medical care) but barriers exist.

The most important barrier is timely access to Medicare data for the dual eligibles.

The MCOs have had to get creative to identify when their members enter and/or leave hospitals.

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CoLTS – Improving Care Coordination

Barriers to Improved Care Coordination:

- ◆ Timely access to Medicare data for the dual eligibles.
 - It is difficult to coordinate care when a different health plan covers the member's medical needs.
 - The MCOs have developed ways to identify when their members enter and/or leave hospitals, and when their members use the emergency room.
- ◆ Fragmented System of Care:
 - NM Medicaid has SALUD, CoLTS and the Behavioral Health Statewide Entity covering the full spectrum of care.
 - Care coordination in this environment is difficult, even when everyone makes their best effort.

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CoLTS – Going Forward

- ◆ Improved Program Oversight
 - With the consolidation of the CoLTS program at HSD, we are able to more effectively align our efforts and goals overseeing the program.
- ◆ Flattening the Cost Curve
 - CoLTS program costs grew quickly in its first two years.
 - Growth in the cost of the program has slowed and is more aligned with normal growth in enrollment and health care costs.
 - CoLTS is more cost effective than a fee-for-service program
 - CoLTS is more effective in preventing institutionalization and promoting reintegration than the old fee-for-service program.



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